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ORGANIZATIONAL CULTURE

– A case study of Standard Chartered Bank
(Vietnam) Ltd.



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The aim of this thesis is to understand the definition of organizational culture and examine organizational culture of Standard Chartered Bank (Vietnam) Ltd (SCB). Organizational culture has become an interesting topic. The company now is aware of its important role as a competitive advantage.

The thesis will go through definitions of various researchers to find out the common understanding. A few methods of approaching organizational culture are considered to find a proper framework for case study. Later on organizational culture of SCB will be studied by interviewing six members of the organization. The data then will be analyzed using Schein's three levels of organizational culture: Artifacts, Espoused Beliefs and Values and Basic Assumptions.

The results of the study show that SCB has a strong culture which expresses the core values that the bank has stated. The author expects that this study can be a review for the bank of its culture and to find out how to improve the culture as a competency.

KEYWORDS:

Organizational culture, corporate culture, bank

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LIST OF ABBREVIATIONS

CSR	Coporate Social Responsibilities
SCB	Standard Chartered Bank or Standard Chartered Bank (Vietnam) Ltd.
UNESCO, Unesco	The United Nations Educational, Scientific and Cultural Organization.

1 INTRODUCTION

1.1 Research background

Culture presents everywhere, surrounding us all the time. It exists in different levels, from small level as team or group to big level as nation. Culture is also important in any corporate as it is a significant element to grow an energetic organization (Schein, 2010). It then becomes a, interesting topic for the researcher as a management practice (Adler, 1997; Alvesson, 2007; McKenna, 2012), In this era of globalization, along with economic crisis, banks in Vietnam have to cope with many difficulties of bad credit and bad debts, which influences negatively the bank's reputation as well as employee's trust in the company. Organization culture, therefore, should be taken into consideration as a leadership concept so that employees with different backgrounds can be united to assure the whole system can be operated properly.

1.2 Motivation

I have done my practical training in Standard Chartered Bank (Vietnam) Ltd for three months. During that period, the bank got a scandal relating to money laundering, which had huge negative impact on the bank's reputation. However, all the employees in the bank kept their faith and trust in the organization. In addition, the bank also managed to engage all the employees in its social activities. That raise a question to me that: what is the reason behind that faith, from organizational culture perspective.

1.3 Research Objective

This study will try to understand the definition of organizational culture and use a framework to analyze the organizational culture of the case company. In short, the thesis will describe organizational culture of SCB and try to find the root of that culture.

1.4 Thesis structure

The thesis will first introduce some definitions of culture and organizational culture. Then it will focus on the dimensions of organizational culture to find out an approach to examine the case company's culture.

The third part will explain the data resources as well as the method to collect data for the study.

The fourth part will analyse the organizational culture of Standard Chartered Bank (Vietnam) Ltd, one of the oldest foreign bank in Vietnam.

The conclusion contains concise findings with further suggestion to improve the organizational culture of SCB.

2 FROM CULTURE TO ORGANIZATIONAL CULTURE

2.1 Culture

Culture is hard to define, it is an abstraction. Each person may have his or her own understanding of culture. There are hundreds conception of culture, each of them is a point of view, an outlook. (Ajiferuke and Boddewyn's , 1970:54) A study of hundreds definitions of culture by Kroeber, Kluckhohn, & Untereiner (1952) even shown that there are 164 meaning of culture and the definition of culture has changed by times.

An anthropologist, Edward B. Taylor (1871) is the first one to define the concept of culture scientifically: "that complex whole which includes knowledge, beliefs, arts, morals, laws, customs, and any other capabilities and habits acquired by [a human] as a member of society." This definition manage to point out a lot of independent factors to make culture become an object of a separate science (Bernardi, 1977:10)

Édouard Herriot (1930) had a famous saying that culture is "what remains when one has forgotten everything." This definition does not provide a scientific understanding but it still manages to point out that culture belongs to the root of a society.

In Mexico City Declaration on Cultural Policies, UNESCO (1982) stated that "culture may now be said to be the whole complex of distinctive spiritual, material, intellectual and emotional features that characterize a society or social group. It includes not only the arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs; that it is culture that gives man the ability to reflect upon himself. It is culture that makes us specifically human, rational beings, endowed with a critical judgement and a sense of moral commitment. It is through culture that we discern values and make choices. It is through culture that man expresses himself, becomes aware of himself, recognizes his incompleteness, questions his own achievements, seeks untiringly for new meanings and creates works through which he transcends his

limitations. “ This definition is the most useful and correct as it provides an all-sided view on culture, it includes all the elements of culture and how culture appears in the society.

From the above definitions, the common and core points are to emphasize on the human element. Culture connects closely with human being and belongs to our life. It is human-made. In this thesis, I would like to understand culture as a system of values which are created and accumulated by human during the practical activities, in relation with their natural and social environment. In case of this study, the working environment is the social environment where culture is created. This is to imply a three-dimension coordinate system where culture exists: human is the subject of culture, natural and social environment is the space of culture, activity process is the time dimension of culture.

Culture contains many elements such as: customs and habits, languages, religion, moral standards, values, opinions and live styles, education, arts, and social institutions (family, school, policies, etc...)(Hager, 2011)

Rai and Panna (2010) present culture with many characteristics, but four main ones are:

- Culture is social: Culture is not created by an individual. It is formed and developed through social interaction and to be shared among members of a group or society.
- Culture is systematic: All the things and concept around us are systems. Culture as a system, however, seems to be too complex that its completeness may be concealed by the partial formants. For example, some definition of culture may consider it as a total of discrete parts from different sections. Definition of Taylor's (1871) falls into this type:

culture = knowledge + beliefs + arts + morals + laws + customs...

But culture is systematic, that means any values need to be considering in close relation with one another. Its completeness allows us to distinguish a complete culture from a set of discrete cultural values.

- Culture has value: Culture is a system but not all the systems are culture. Culture is a system with values. Culture is a measuring tool of humanity level.
- Culture is shared and learnt. Thus culture can be inherited and transmitted from one generation to another, which makes it dynamic and continuous. Through its historical growth, culture can be changed in response to conditions of physical environment.

With those characteristics, culture plays an important role in any society. Culture is the connection among every member, it determines the behaviour, opinions and the way one conceives the world.

2.2 Organizational culture

There is no fixed, universal definition or understanding for culture, and neither for organizational culture, there is no single definition for it. In general, as indicated by Knapp (2006) the organizational concept of culture is an adaptation of the anthropological concept. Researchers in academic sector have given various ways of defining organizational culture.

Louis (1980) define organizational culture as a set of understandings or meanings shared by a group of people that are largely tacit among members and are clearly relevant and distinctive to the particular group which are also passed on to new members. This definition implies the culture's characteristic of being shared and learnt.

Chatman and Eunyoung (2003) describe it as a system of shared assumptions, values, and beliefs which guide people to be aware of appropriate and inappropriate behaviour.

In other words, Geert (2014), in his website, refers to organizational culture as "the collective programming of the mind that distinguishes the members of one organisation from others".

Alvesson (2002:3) used this term as “an umbrella concept for a way of thinking which take serious interest in cultural and symbolic phenomena”. The author also included values and assumption about social reality in that.

Another way to define organizational culture is a system of meanings which are accepted by the members in a given time (Pettigrew, 1979)

However, a helpful and popular definition was offered by Edgar Schein (1992) of MIT's Sloan School of Management which is “a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems”.

Those definitions show that organizational culture is a level of culture (other levels are national culture and team culture) (Hofstede, 2010). That is to say organizational culture has all the characteristics of culture as presented in the previous part. In addition, the definitions above share an emphasis on communication means through which values of organizational culture is transmitted to the members. In general, it can be understood that organizational culture is all the cultural elements, such as norms, rules, language, communication style, that the organize selects, creates, uses and manifests during operating process, and from that it creates the organization's own character.

2.3 The role of organizational culture.

Culture affects the behaviours of the member in its society. So a strong organizational culture would clearly influence the way employees behave in the firm. That is to say the organizational culture may generate competitive advantages for the organization by enhancing employees' performance and cooperation with each other. Besides that, a strong culture helps to reduce the conflict within the organization, to dispatch, control and motivate employees. (Dawson, 2010, Schein, 2010, McKenna, 2012)

Firstly, a strong culture fastens the connection among members, helps them to share the common understanding for an issue and evaluate, choose and orient their action in the same orientation. When there is a risk of conflict on the organization, the shared norms and values are the elements to unite people, help them to evaluate the situation correctly and behave properly.

Secondly, organizational culture dispatches and control members' behaviours by the standards, procedures, regulations, etc... In addition, the culture helps to narrow down the area to consider during decision making process because a decision gains the effect only when it matches the culture to get them members' approval.

On the other hand, organizational culture helps the members to gain a clear view of the task's target and orientation. A strong culture also creates good relationship among members as they share common understanding and interest. It improves the working environment to be comfortable and healthy. When an organization is successful in building a strong culture, it creates the employees' faithfulness to the firm, which makes the members feel proud of the organization as well as the job they are doing. (Dawson, 2010)

With the combination of the above effects, organization's culture can positively influence the firm's performance; creating its differences in the market. That is a competitive advantage for the company.

For those reasons, the need to build a strong culture and maintain it is essential for any organization in this era of international competition.

3 DIMENSIONS OF ORGANIZATIONAL CULTURE

To understand the organizational culture, researchers have different ways to prompt a discussion. In this thesis I would like to introduce Reynold's, Schein's and Hofstede's dimensions of organizational culture. These three ways to approach organizational culture show a wholly view of the issue.

3.1 Reynolds' dimensions

Reynolds (1986) argued that the dimensions of organizational culture from previous researchers such as Hofstede, Ansoff, Deal and Kennedy, etc. had overlapped and the author also presented 14 independent dimensions of organizational culture:

- 1) External vs internal emphasis: External emphasis focus on satisficing customers or any external stakeholders, while the internal emphasis focus on internal activities, such as committee meeting or reports.
- 2) Task vs. social focus. This dimension shows the degree to which the organization view the task accomplishment or social needs of employees' as more important.
- 3) Risk vs safety. This measures how much the organization willing to change or adopt different program or procedure.
- 4) Conformity vs. individuality: the degree to which the employees' distinctive and idiosyncratic behaviour in work and social life is tolerated.
- 5) Individual vs. group rewards. The organization would rewards all the members in the unit or individually based on one's contribution.
- 6) Individual vs collective decision making: the degree to which decisions are made, by individual or by the input of various individual who are affected.
- 7) Centralized vs. decentralized decision making: the decisions are made by those in key position in the organization or those who are in charge of the task.
- 8) Ad hockery vs planning: the organization develops ad hoc for all change or has intricate plans that forestall most future situations.

- 9) Stability vs innovation the degree to which the organization open to adopting novel and distinctive goods, services, and procedures
- 10) Cooperation vs. competition: it is about the individual member's attitude to their work, either for internal competition for rewards with each other or for external competition with outsiders.
- 11) Simple vs. complex organization: the degree of complexity of the formal and informal structure as well as the organizational internal political process.
- 12) Informal vs. formalize procedures: the level of tendency to have a formal tool for all procedures and decision-making. The more formalized it is, the more extensive, detailed rules and procedures and elaborate forms and written documents are used to justify any and all actions. The most informal would comprise oral discussions and approval on main subjects, even very little or no discussion for insignificant issues.
- 13) High vs. low loyalty: The degree of loyalty work in the organization in comparison with other relevant groups
- 14) Ignorance vs. knowledge of organizational expectations: the level of employees' awareness of their job, what they are expected to do and to contribute to the common goal of the organization.

(Reynolds, 1986:234-236)

This way to dimensionalize organization is very detailed and it covers all the elements of organizational culture. However this framework is more useful in evaluate an organization's performance and to compare with other ones.

3.2 Hofstede's dimensions

Hofstede (2011) used a framework of six dimensions to describing organizational culture:

- 1) Process-oriented vs. results-oriented (Means-oriented vs. Goal-oriented)

This dimension is most closely associated with the effectiveness of the organization. A process-oriented culture focus on HOW the work is done, it concern more about technical and bureaucratic routine while results-oriented

culture concerns about the outcome, where employees are asked about WHAT to be done. The two sides of the dimensions are also different in level of risk taking. As Process-oriented culture emphasize on the assurance during working process, employees avoid risks and even make limited effort in the task. By contrast, employees in results-oriented tend to take more risk in order to achieve specific internal goals.

2) Job-oriented vs. employee-oriented

This dimension relates to management philosophy. The job-oriented culture assumes responsibility for the employees' job performance only, it even heavily press employees to perform the task. In opposite, employee-oriented culture takes into account also the employees' wellbeing; it cares about individual issues too.

3) Professional vs Parochial (local)

In professional culture, employees are identified with their profession or content of their job. In the local culture, the identity of members is determined by the team or unit they work in.

4) Open system vs. closed system

This dimension reflects the level of the accessibility of an organisation. It refers to the internal and external communication style and how easily newcomers are welcome. In open system, a member is open to both insiders and outsiders as they believe everyone can fit the organization.

5) Tight vs. loose control (Easy going work discipline vs. strict work discipline)

This dimension deals with the amount of internal control, structuring and discipline. It expresses the formality and punctuality level of the organization. In a tight culture, members are expected to be punctual, serious and cost-conscious while loose culture exposes less control and discipline.

6) Pragmatic vs normative (External driven vs. internal driven)

This dimension is about customers' satisfaction, or in general, it defines the principal way of dealing with the environment. The pragmatic culture (external driven), mostly existing in units such as selling or customer services, focus on fulfil the customers' requirement. On the other side, normative culture (internal driven) emphasis on business ethics and honesty issues, which appears in units involving in laws and regulation.

More recent, in his website, Hofstede (2014) add two more dimensions: degree of acceptance of leadership style and degree of identification with your organisation. Degree of acceptance of leadership style implies how the leadership style of employee" direct boss is alighted with their preferences. Degree of identification with your organisation tells us the degree to which one identifies with the organization, such as internal goals, clients, direct boss, team, etc...

3.3 Schein's dimensions

Schein (1992) used five questions to study organizational culture:

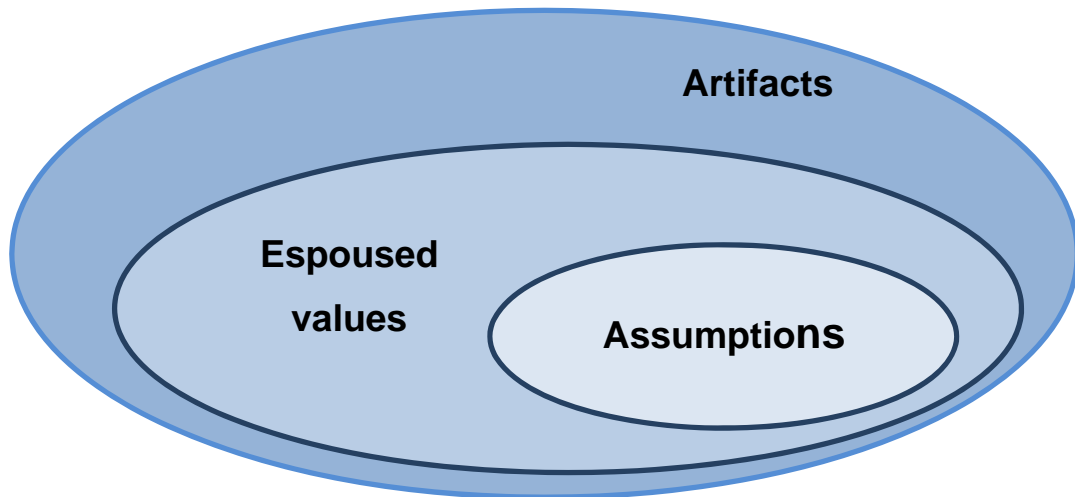
1. The organization's relationship to its environment.
2. The nature of reality and trust, which is the basis for making decisions
3. The nature of human nature
4. The nature of human activity
5. The nature of human relationship.

However later on, Schein (2010:69-175) has developed the dimension of organizational culture into more details.

From External Adaptation:	Mission
	Strategy
	Goals
	Means
	Measurement
	Correction
From Internal Integration:	Common language
	Group boundaries
	Power, authority and status
	Norms of Personal Relationships
	Rewards and Punishments
	Myths and Stories
Macro-culture Assumptions concerning	Reality and Truth
	Nature of Time
	Nature of Space
	Human Nature, Activities and Relationships

Table 1. Dimension of organizational culture. Adopted from Schein (2010)

Schein (1992, 2004, 2010) sees the organizational culture and leadership as “two sides of a coin”. He, therefore, introduced three levels of the organizational culture to so that one can have an insight: artifacts, espoused values and assumptions.



Picture 1. Three level of organizational culture as a log. Adopted from Schein (1992)

3.3.1 Assumptions

Assumptions include the most core values which are shared but invisible even to the members of the group. If we consider organizational culture as a log, the heartwood is assumptions. It takes a tree many years to grow to get the heartwood and it is also the strongest part of the log. That is to say it takes a long time to create the core values and their existence is expressed by penetrating and transmitting the features of core values into the espoused values and artifacts. The assumptions, therefore, is hard to be erased once established. But it can be changed in certain conditions.

Therefore, the most important thing when valuating an organization from cultural perspective is to ask: what values has the organization proposed, comprehended and followed? They are not just a slogan or a speech of the directors, but they are seen in other cultural levels. In other words, these fundamental values manifest themselves as automatic reactions and unconscious perceptions or opinions. For example, an organization claiming to enhance their commitment to the customer as a core value should be able to show out the value through their customers' evaluation of employees and products. This value must be also expressed in recruitment process. The organization may admit an employee who

is lack of experience but customer-oriented other than an experienced employee but lack of motivation in satisfying customers. Because the weakness in skill can be improved more easily by learning, while the change in philosophy behaviour is more difficult. And consequently, employees with better performance in serving customers should get better opportunities of promotion and rewards. That is the reason why we may get some clues of an organizational culture through the promoted employees.

3.3.2 Espoused values

This is the middle layer of the log, between the heartwood and the bark. It represents the philosophies, goals and strategies of the organization. The espoused values also contain unwritten norms but all the members understand and follow self-consciously. Those who do not follow would feel lack of belonging. For example, culture of Vietnam has the collectivism feature, and it is expressed in Vietnamese organizational behaviour also. In the morning, people usually gather for some tea or coffee before the working time to talk or discussing. People not joining these kinds of conversation may feel stray and hard to cooperate in the job.

Espoused values also include the working environment as well as leadership style. The working environment reflects the relationship in the organization: how superiors trust their subordinates; how much the organization is open to innovation or it keeps avoiding the risk; relationship between employees; how the conflictions are solved; etc. On the other hand, the leadership style reflects the attitude and power of the leader in carrying out the organization's goal.

3.3.3 Artifacts

This level can be seen as the bark of a log. The cultural factors of this level are visible even to outsiders. They include the organization's infrastructure, dress code, information flow as well as the language in organization's messages.

An organization claims to emphasize on the cooperation and sharing but the infrastructure may heighten the power, or working space is divided into separated

small and closed room. In this case those artifacts show that the values which top leaders aim to either have not been shared or applied by the employees, or have not been transmitted properly to the organization's activities by intermediate managers.

By contrast, when the external environment changes these artifacts would be the first to get influences to be changed easier than other levels. When the outer levels of culture have changed for a long time, they may gradually erode the value deep inside the heartwood. At that moment, the organizational culture will be changed spontaneously. These changes may either support or obstruct the performance of the firm.

In this research, I will use Schein's three levels of organizational culture to describing the culture of selected case study company as it helps to understand all the culture elements. In addition, using this framework enable an analysis of relationship between deep rooted underlying assumptions and common business practices in the company. So it would help to find a way to improve the effectiveness of the organization by changing the basic assumption properly. Hofstede's and Reynold's dimensions only describe the visible layer of culture. Furthermore, Hofstede's framework was achieved from studies among twenty organizations in two countries (The Netherland and Denmark) so there should be more limitation when applying in a Vietnamese company.

4 INTRODUCTION OF STANDARD CHARTERED BANK (VIETNAM) LTD.

4.1 The bank's history

Standard Chartered Bank (Vietnam) Limited is a part of Standard Chartered Bank Plc (SCB) which was formed through the merger of two separate banks, the Standard Bank of British South Africa and the Chartered Bank of India, Australia and China. SCB is listed on the London, Hong Kong and Mumbai stock exchanges. It ranks among the top 20 companies in the FTSE-100 by market capitalisation.

In Vietnam, history of SCB can be traced back to 1904 when the Bank opened its first branch in Saigon (now Ho Chi Minh City).

Following the official approval from the State Bank of Vietnam, effective on 1st August 2009, Standard Chartered commenced operations in its locally incorporated entity – Standard Chartered Bank (Vietnam) Limited. This was considered an important milestone in Standard Chartered's development in Vietnam.

Standard Chartered Bank (Vietnam) Ltd. now has three branches, one transaction center and head quarter office and employs about 850 staff. The Bank provides a full suite of Wholesale Banking products and services to corporations and financial institutions. The bank also has a wide range of Consumer Banking services to serve individuals and S.M.E.

4.2 Organization's operations

SCB provides a wide-range of products and services for personal and business customers across 70 markets. The bank offer services in four main sectors:

- Consumer banking: aim to serve personal financial need. Services include savings & accounts, loan, mortgage, credit card, insurance, investments and employee banking.
- Wholesale banking: offer banking services to large corporation on transaction banking, financial market, corporate finance and principle finance.
- SME banking: provides the entrepreneurs with working capital, business protection, yield enhancement and business expansion.
- Private banking: focus on managing customers' wealth as well as developing a highly successful partnership.

The bank's business also has a section of Islamic banking which provides a wide range of Shariah-compliant financial products based on Islamic values.

4.3 The bank's brand and value

SCB aims to become the world's best international bank. So the bank is aware of the importance to conduct the business to the highest standards and are guided by the core values:

- We are courageous
- We are responsive
- We are international
- We are creative
- We are trustworthy

The bank, then, acts in an open, innovative and collaborative way to bring the best interests to its clients.

The bank has brand promise of "Here for good" which underpins everything the organization does. It guides how the bank does business and the decisions are made. By "Here for good", SCB promises to do business with CSR. Particularly in Vietnam, the bank has had a lot of projects to improve the environment as well as living conditions for people.

5 METHODOLOGY

The data used in this research are collected from various sources as in the following table:

Literature review	Books and online resources
Bank's Profile	Published information on website
Culture of the bank	Interview and personal working experience.

Table 2. Sources of Data

The research is carried out using qualitative method. Firstly the author uses various literature data to explain issues of the researched topic. Then the data for the case study is collected by the author's working experience in the organization and interviewing employees and managers in the chosen company.

Qualitative method helps the author to go deeply into the issues while quantitative would provide only a general trend. To describe the organizational culture of Standard Chartered Bank Vietnam, the author chooses Schein's framework which approaches the organizational culture from the root. Therefore, qualitative method is chosen.

The interviews are conducted as semi-structured through internet calls. Semi-structured interview creates the flexibility in the interview that gives both interviewer and interviewees opportunities to see the problem more accurately. The invitations for interview were sent to fifteen people in the banks, including both manager and employees at the beginning of September 2014. They are the one who have been working in the organization at least two years. However, only six of them are willing to join the interview. The interviews are carried out from 29th October to 5th November 2014 with six people:

Interviewee	Position in the bank, place of work	Time of working in the bank
1	Fron-desk banker, Hanoi branch 1	2 years
2	Fron-desk banker, Ho Chi Minh City branch	2 years
3	Transaction maker, Cash Management Operation	2,5 years
4	Officer, Operational Excellence and Project Management Office	2 years
5	Unit Head, Risk Management Unit	3 years
6	Unit Head, , Cash Management Operation	4 years

Table 3. Interviewees' information

The average time for an interview is approximately thirty minutes.

The interview will point out the visible cultural artifacts with seven elements identified by Schein (1994):

1. Office features and bankers' behavior to customer
2. Bankers' features within organization
3. Leadership style
4. Organizational features
5. Organizational behaviours
6. Customer business
7. Innovation

From the interview result, the author will assess the espoused beliefs and values behind the artifacts and then try to determine how the basic assumptions create those Artifacts and Espoused Beliefs and Values..

6 DATA ANALYSIS

6.1 Artifacts and Espoused beliefs and values

6.1.1 Office features and bankers' behavior to customer

There are differences among the layout of branches, transaction center and head quarter office in order to match the function feature. But they all share common features: tidiness, orderliness and being secured.

I have visited two branches of the bank in Hanoi as a customer. By entering the branch office, customers are welcome by a friendly receptionist. The receptionist will politely find out the need of the customers and guide them to take the proper queuing number. There are some security guys in the office. All the front-desk bankers appear friendly but still formal and cautious toward customers. Officers in branches have dress code. They wear bank's uniform and there are regulations for hair and nails, according to two front-desk bankers' answers. Interviewee 1 and 2 also provide the information that all employees in the branches are trained to behave with proper business manner. The reason is that, the bank would like to create a trustful feeling for customer. A friendly attitude would generate comfortable feeling for customers but customers require a secured feeling too. As the banking business always exposes high risk of robbery and money laundering, there is tension between bank officers and customers. The identity of customers always triple checked, twice at the branch by front-desk bankers and a back-desk banker, and another time in the transaction center, before the money is received and transferred. The layout of branch office also shows high security. The front desk and back operation is separated by doors with passcode.

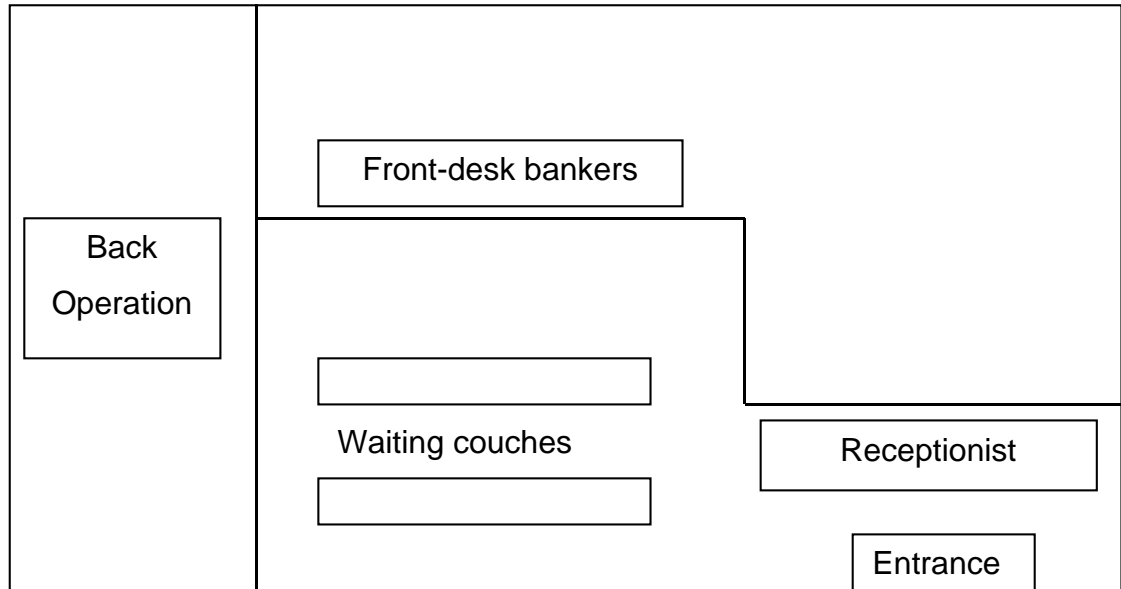


Figure. 1: Example of SCB branch layout

In the transaction office, where I did my practical training, as there is no customer visit, the layout of the office is slightly different. But it is still strictly secured. Each unit work separately in a closed room and require access card to enter. Unit Head's work space is not separated with his/her subordinate.

Artifacts:

- The office is formal, tidy and orderly
- The office is highly secured
- Bank officers follow dress code and business manner.
- Bankers are friendly but cautious to customers

Those artifacts are created based on the beliefs and values relating to the business features. Banking business deals with money daily. It is a sensitive “goods”. Once customers deposit money to a bank, they deposit also their trust to the bank. Customers expect the bank to be careful with their money, investing the money with professional analysis to return the interest for customers. Untidy, sloppy people are not trusted to perform these tasks.

Espoused beliefs and values:

- Bank officers must be careful and accurate and they need to be trusted by customers

6.1.2 Bankers' features within organization

In free time (lunch time or before working hours in the morning), people discuss on both business matters and general matters (private life, social news, etc.). In the discussion, I see that managers and the subordinates are equal. Everyone can freely express his or her view. When there is contrast between opinions, people try to protect their own opinions but still take up others' equably. In the working issues, people are asked to show their thought for solution and they have no hesitation in raising their voice when there is a problem or before any decision. All the ideas are considered carefully before the decision comes into effect. Once a decision is made, all the members in the organization will follow faithfully. In the business practice, employees tend to get consultation from their colleagues and direct supervisor whenever a problem emerges.

From my opinion during my working time, SCB employees are proud to be a part of the organization. SCB always emphasize on Corporate Social Responsibility with the brand promise: Here for good. The bank organizes a lot of CSR activities: planting trees provide education to improve awareness of environment, found a fund for blinds, etc. The employees actively participate in the activities with the pride that they are helping to create a better society.

All the interviewees insist that they take the organizational decision into their personal opinions or behavior. For example, in 2012 SCB have a scandal of money laundering in USA. The organization required all the employees not to give any comment or opinion on the matter publicly. Then no one mentioned the matter publicly including on social network like Facebook. They only discussed on the published information inside the working place.

Artifacts:

- Bankers are careful in making decision in working practice
- Bankers like to express their opinions

- Bankers follow the organizational decision faithfully
- Bankers are proud to be part of the organization and proud of what they are doing.

Banking business deals with a lot of risks. Taking all the personal opinions into consideration before making any decision may minimize the risk. The employees are those who deal with various business practice matters every day so their opinions and experience are really valuable.

The reason that people follow the organization's decision may be influenced by the national culture. Vietnamese culture has high power distance index and is collectivism. Employees are supposed to follow the employers' decisions. And as employees have the chance to express their opinions, it is assumed that the decision is made from collective perspective.

The bank has transmitted its mission and vision to every individual in the organization. All the members share the same awareness that they are doing well to do good for the society.

Espoused beliefs and values:

- A diversity of opinions helps minimize the risks.
- Organizational decisions are followed absolutely and faithfully.
- The bank engages all the members to its mission and vision.

6.1.3 Leadership style

The leader is responsible to teach subordinates. In SCB, this kind of education is implemented through empowerment. The leader may assign a difficult task to the followers who are still lack of experience for that task. Or the leader may give the follower tasks that are supposed to belong to someone at higher rank in the organization. When I work in SCB, I was assign to back up for an officer who was on block leave even though I am just an intern and had worked in the bank less than one month. The task relates to the bank's cash management system which has impact on the daily function of the bank. I worked and contact directly with

the technical support team in India and had the right to order them provide any support that I needed. At first it seemed that my manager left all the tasks for me and he took care of other project. But it then turned out that he followed my entire job, knowing all my process, workload and time management. And he is responsible for the result of the project in the end

The empowerment can be seen also in other managers when they assign the tasks for subordinates. All the employees have the opportunities to learn as well as to prove their skills and abilities.

Artifacts:

- Leaders train subordinates through empowerment
- Leaders have to follow all the tasks performed by employees and are responsible for the result.

The bank sees every employee as the most important asset. Therefore training employees are important to create competitive advantages and it's the responsibility of leaders. The leaders need to know strength and weakness of subordinates to provide them proper education.

The leaders understand that the follower should know the standard of making decision to have the faith in organization's decisions. And using empowerment, the leaders can help employees not only see the matters from different perspective but also show their potential for future leaders.

Espoused beliefs and Values:

- High-skilled employees are precious assets of the bank
- Empowerment helps to find out and train potential leaders for future.
- Members in the bank should share the same standard for making decisions.

6.1.4 Organizational features

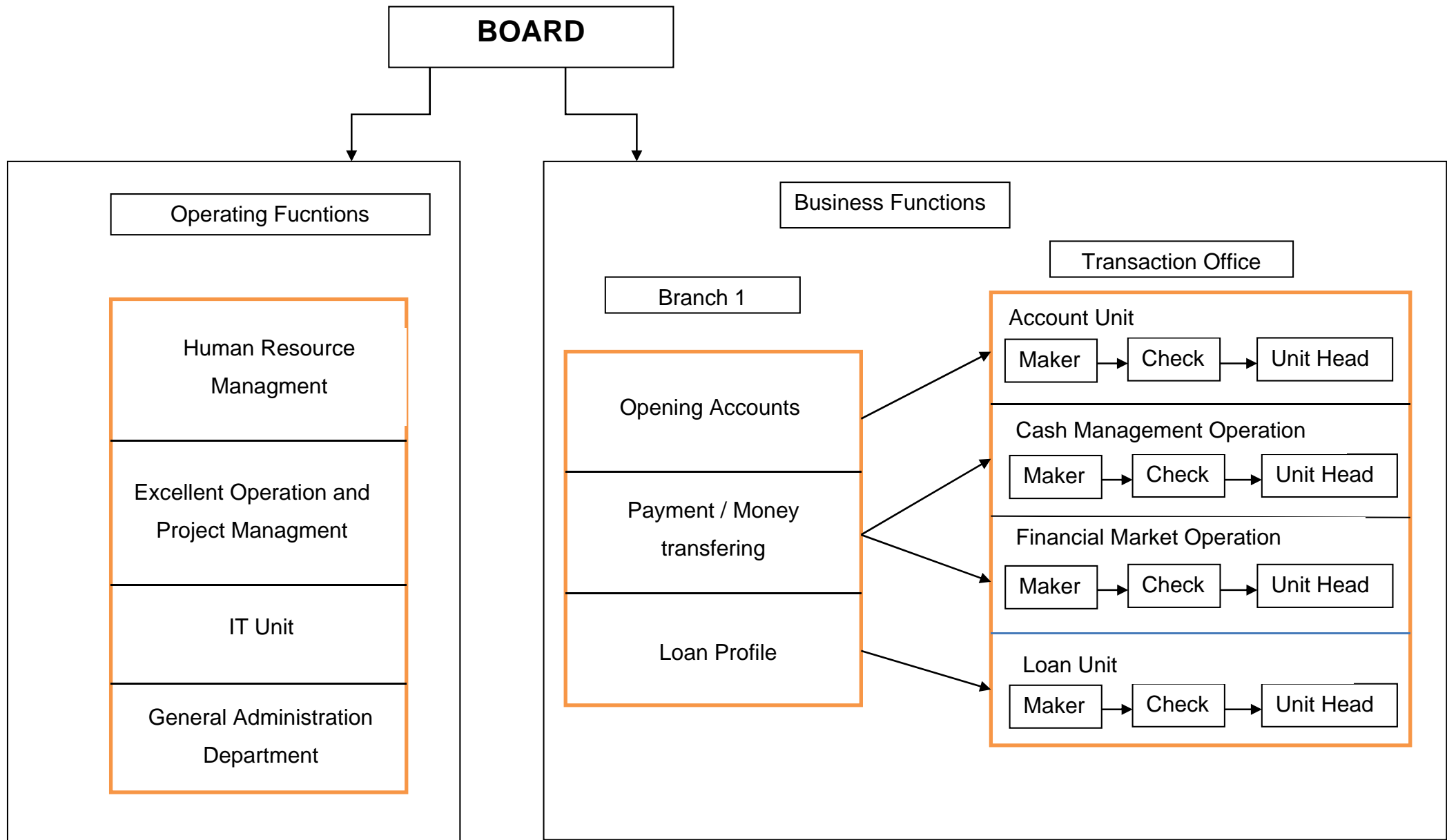
The job flow in the bank is complex. Job flow, as well as bank's structure, is shown in Figure 2. For example, a personal customer applies to grant a loan, he or she must complete a profile at the branch with front-desk officers. The profile is then sent to branch manager, if approved, it will be sent to Loan unit in transaction center to check credit in the banking network system and then requires approval by Head of Loan Unit. In case of corporate customer, it requires even more procedures of credit supervision, different units should negotiate and discuss before final decision is made.

That is to say, to complete a task require a lot of communication, including cross-team discussion. In case of operating system issue, the report escalation matrix includes also cross-country communication. For example the information technology support team for cash management operation system is located in India. In order for the task to process smoothly, one should first create a good relationship with each other for better communication.

Artifacts:

- The bank operation is a complex process
- Each unit has clear responsibility but need to cooperate with other units to complete a task
- Communication and network is important.

Figure 2. Job Flow in SCB



6.1.5 Organizational behaviour

The bank likes to cooperate with other bank to make use of existing infrastructure. The card service is now become more popular in Vietnam. However the cost for operating ATM system is very high. SCB previously focus on corporate banking sector but they are now entering retailing sector (personal banking) so the need for card service also rises in accordance. SCB only possesses three ATM at this moment. However the bank has joined the Smartlink system which allow the card holder use SCB card at ATMs of other banks in the system.

The bank shows self-praise for the good it has done. With the promise “Here for Good”, the bank organizes a lot of CSR activities (as mentioned in 6.1.2) and publishes those on website or mass media. This is to prove that the bank sticks with what it declares and CSR activities helps to create good brand image for the bank.

Artifact:

- The bank is willing to cooperate to enhance its performance.
- The bank likes to self-praise as a mean of advertising and creating brand image.

As a small foreign bank in Vietnam, SCB need to be dependent at some degree to enter the market with a lot of strong competitors (domestic banks). It is also under control of State Bank of Vietnam and Vietnam Commercial Bank (The biggest bank in Vietnam) for making interbank transactions.

Espoused beliefs and Values

- The bank is dependent on other banks.

6.1.6 Customer Business

Normally, the customers are those who have the right to choose the company to buy products or services. In banking industry, however, the bank must select the customer to serve carefully as a matter of security.

An individual or a company become the bank's customer only when they receive the service from the bank (having an account, granted a loan or mortgage, etc.). But before offering the service, the bank has to examine using various business criteria, especially in the case of corporate customer. It helps the bank to avoid bad credits or bad debts.

Artifacts:

- The bank selects the customer with its own business standard.

Banks play important role in the economic infrastructure of a nation. Any bad debt or bad credits can have negative impact on the bank performance and influence the whole national banking system. In addition, the bank is expected to generate profit to return to stakeholder, including shareholder and customers who deposit money in the bank. Any bad credibility can result in crisis for the bank. Therefore, the bank expects to do business with sound customers who have high potential in returning the loan with profit to the bank. Using criteria in selecting customer also avoid the risk of money laundering.

Espoused Beliefs and Values:

- The bank is expected to generate profit.
- The bank's customer should have good credit and ability to pay the debt.

6.1.7 Innovation

SCB's target is to become a leading international bank. The bank, therefore, try to be innovative in order to provide better services to customers. The bank always encourages employees to be creative in daily business practices to find a way to improve the products and services. However, any change goes with risk. As the nature of banking business already deals with a lot of risks, the innovation process is carried out very slowly and carefully.

Artifacts

- The bank welcomes innovation

- Innovation process happens very slowly

There are several reasons for the attitude of the bank to innovation. Firstly, innovation creates competitive advantage for the bank. On the other hand, going innovative also means taking risks. All the customers worry about the money they deposit in the bank, any information about the bank becomes sensitive to customers. Any issues appearing in changing process may take the bank to crisis, or even worse, bankruptcy. Therefore, the bank has to be very careful in adopting innovation.

Espoused Beliefs and Values

- The innovation creates both opportunities and risks for the bank.

6.2 Basic Assumptions.

SCB operates with the aspiration of five core value:

- We are courageous
- We are responsive
- We are international
- We are creative
- We are trustworthy

These values were first introduced in 2002 and have been used as a framework to measure and monitor the behaviour of the employees and to communicate the bank's unique culture to a broader range of stakeholders, prospective employees and customers.

The first assumption aims to encourage employees to raise their voice, dare to take over difficult tasks. This explains the artefact of empowerment leadership style. This assumption is also the base for the fourth one as it opens the gate for opinions and creativities.

Manifesting the assumption of being responsive in working practice provide good support for those two value. The information flow should be manage well so that all the opinions of the members are heard in time.

The third assumption can be seen not only from international SCB perspective but also in local SCB. SCB Vietnam has members from different country other than Vietnam but they are closely linked with each other as all are faithfully follow the bank.

The last assumption is express out the most clearly. In order to be trusted, The bank has to have employees with professional business manner. The bank has to select its new customers to protect the benefit of all existing customers. The bank also gain trust of employees by giving them the opportunity to develop, let them feel to be a part of the organization by freely express the opinions before a decision is made. By gaining employees' trust, the organization's decision will be followed faithfully.

7 CONCLUSION

The study has gone through a few way of defining organizational culture. All the definitions tend to be generate from common definition of culture and apply to the context of organization. All the definition share the opinion that organizational culture can influence the members' behavior through the common norms, values, understanding.

The research also listed some method of approaching organizational culture. However, Schein's three levels of culture: Artifacts, Espoused Beliefs and Values, Basic Assumptions appears to be most useful to understand the culture from deep inside. The framework was used to examine SCB's organizational culture. The result shows that SCB's cultural artifacts and espoused beliefs have well manifested the core value that the bank states to follow. The different levels of the culture have interaction with each other as Schein argues. In addition, there is no conficition between answers of interviewees, which means all the interviewees share the same opinion about the organizational culture of SCB. That is to say, the bank have managed to build its unique culture and it helps to improve the nank performance, at least from human resource perspective (employees' loyalty, employees' development).

Due to limitation of people interviewed, the study may lack of wholly evaluation for the organizational culture. However the author believes that this study can provide the bank a review of what it have managed to built and find out what they should improve to enhance the organization's competitive advantages.

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Appendix 1. Interview Questions

Name (Optional):

Age (Optional):

Gender (Optional):

Position in SCB:

Length of working in SCB:

1. Do you have any awareness of your SCB's organizational culture? How do you describe it in general?
2. What are the common characteristics or features which are shared by all the employees in SCB? How do you see the relations between those characteristics and the job in SCB?
3. How is a bank office different from offices of other industries? And how is SCB office different from other banks?
4. How do you describe the leadership style in your organization in general?
5. How do you evaluate the decision making process in your organization regarding the organizational structure?
6. How do you describe the characteristics of the bank in the banking sector as well as in the national economy?
7. Do you think that not only customer can select which bank to do trust but the bank also can select its customer to do business with? If yes, how SCB select its customers?
8. How much is SCB open to innovation? Do you think it (the level of innovation) supports the bank's strategy?